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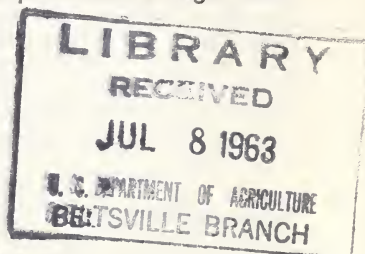
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FEED GRAIN PROGRAM FOR 1964 AND 1965 ENACTED



The Feed Grain Act of 1963 passed by Congress and signed into law by the President May 20 provides for a continuation of a voluntary type Feed Grain Program in 1964 and 1965.

While the bill leaves many of the specific provisions of the program to the determination of the Secretary of Agriculture, basically it provides for a program similar to the one in effect for 1963. One important difference in the program is that producers of wheat and feed grain could be permitted to plant wheat on feed grain acreage or feed grains on wheat acreage under the terms and conditions as determined by the Secretary.

Price supports under the new program would be provided through price support loans and price support payments as they were under the program in effect for '63. The price support level for corn for the 1964 and 1965 crops, if an acreage diversion program is in effect, would be between 65 and 90 percent of parity. Based on April 15 parity price, this would be \$1.03 to \$1.43 per bushel.

Price supports for other feed grains would be set at levels comparable to

corn. Farmers would be required to participate in the acreage diversion program in order to be eligible for feed grain price supports.

If no acreage diversion program is in effect, the price supports would be at the levels authorized by the Food and Agricultural Act of 1962—between 50 and 90 percent of parity at a level that the Secretary decides will not increase CCC stocks. Price support in that event may be restricted to producers who do not exceed their farm base acreage. The Secretary has authority to exclude malting barley from the acreage diversion program, as a requirement for price support.

The Act provides for an acreage diversion program in 1964 and 1965 similar to the one in effect this year. The acreage diversion program will go into operation if an excessive total supply of feed grains threatens. Payments for acreage diversion in 1964 and 1965 will again be made in kind, not to exceed 50 percent of the support price multiplied by the normal production of the acreage diverted. The total support price, which is the sum of the price support loan and the price support payment per bushel, would be used for this determination.

The base acreage used to determine the percentage of land to be diverted would be the same as was used for the Feed Grain Programs in effect for the 1961-63 crops. The regulations set for minimum diversion acreage would depend on what is necessary to achieve the acreage goal. The maximum diversion would be 50 percent of the farm feed grain base or 25 acres, whichever is greater. For farmers producing only feed grains, the program would apply to corn, grain sorghums, and barley.

A major change provided for in the program is that producers, subject to the determination of the Secretary of Agriculture, may plant feed grains on

their wheat acreage or wheat on feed grain acreage. If this substitution is permitted, the feed grain base would include oat and rye acreages, if producers so request, as well as, wheat, corn, grain sorghum and barley. If authorized, the producer could use his base acreage, less that diverted, for producing wheat in lieu of any of the four feed grains or rye. He would not be permitted, however, to produce corn, grain sorghum, or barley in lieu of oats or rye.

The Act does not set specific levels of price support, the extent of acreage diversion required, or the payment rate for acreage diversion. The following statement of the Secretary of Agriculture to the chairman of the Senate Agriculture and Forestry Committee, however, gives some indication of the prospects for specific provisions of the program in 1964 and 1965.

"Based on present information and estimates (1) the price support level for feed grains in 1964 will not be materially different from the levels in effect for the 1963 crop; (2) the portion of the price support to be made in payment-in-kind under the 1964 program is expected to be somewhat less than the 18 cents required under the 1963 program; (3) the required minimum diversion for eligibility of price support under the 1964 program in no case would be greater than that required in the 1961, 1962, and 1963 programs (20 percent of the 1959-60 base acreage), and could possibly be slightly lower; and (4) final decisions will be made on the basis of the best estimates available at the time the final announcements are to be made."

"In making such decisions thorough consideration will be given to the effects on producers' income in the very important feed grain-livestock sector of our economy, and to the cost aspects on an overall, as well as a per-unit basis."

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

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HEAVY USE OF CORN IS REDUCING STOCKS

The quantity of corn used in this country and exported in 1962-63 is expected to be about equal to the 4 billion bushels utilized in 1961-62. The record disappearance last year followed a steady increase in both domestic use and exports during the past 8 years. Total utilization, which had never exceeded 3 billion bushels prior to 1957, rose to nearly 4 billion in 1961-62 and is expected to about equal that record in 1962-63.

The 1961 corn crop was reduced to about 3.6 billion bushels, nearly 300 million less than in 1960, as farmers reduced corn acreage under the Feed Grain Program. In 1962, production was close to the 1961 level. In each of these years, production was reduced materially below the heavy disappearance.

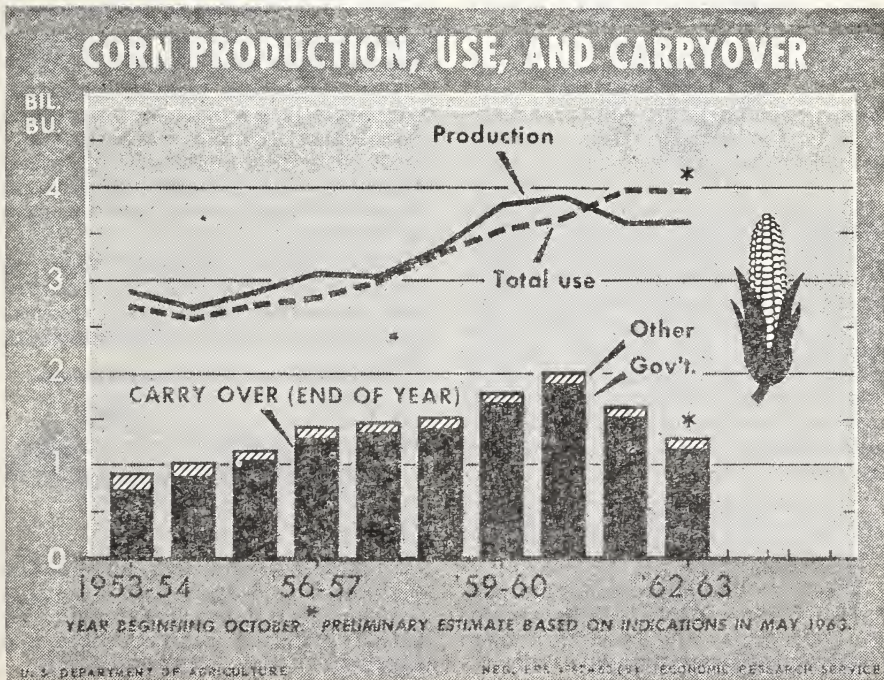
Because of the heavy utilization and smaller crops, carryover of corn will be reduced materially from the record 2.0 billion bushel carryover on October 1, 1961. The carryover next October 1 is expected to total 1,300 million bushels,

340 million less than on October 1, 1962. In 1961-62, the corn carryover was reduced by 368 million bushels. Thus, over a 2-year period, corn stocks will be reduced by about 700 million bushels.

Corn utilization continued to be heavy in the first half of 1962-63. During October-March, the amount of corn used came to a little over 2.2 billion bushels, nearly equal to the record quantity for that period of 1961-62. Domestic use totaled 2,052 million bushels, 20 million more than in the same period of 1961-62.

In January-March, domestic use of corn increased sharply after falling below a year earlier during October-December. The heavier use in January-March this year reflects cold weather in that quarter, which increased feeding requirements of livestock. The increased number of cattle on feed this year and more hogs to be fed during April-September are expected to result in heavier domestic

(Continued on next page)



use of corn in the last half of the current marketing year than in the same period of 1961-62. Total domestic utilization may run a little over 3.6 billion bushels compared with 3,560 million last year.

In 1962-63, exports of corn are expected to fall below the record export of 435 million bushels in 1961-62. During October-March, 192 million bushels were exported, 26 million less than in the same period of 1961-62. Exports are expected to continue below the heavy movement of a year earlier during April-September. Should exports continue at about the same rate as in the first half of the year, the total exports in 1962-63 would amount to about 375 million bushels.

Utilization of the 4 feed grains also has been heavy during the first half of 1962-63. Domestic use in October-March totaled 77.5 million tons, which was slightly larger than a year earlier. The 8.1 million tons exported was

about 2 percent less than in the same period of 1961-62.

Feed grain stocks remaining on hand April 1 totaled 122 million tons, 10 million tons less than on that date last year and 20 million tons less than 2 years ago. Much of the reduction in stocks during the past 2 years has been in stocks under loan or owned by CCC. Domestic use and exports reached a record high of 154 million tons in 1961-62 or about 13 million tons in excess of 1961 production.

Carryover stocks of feed grains, which had been increasing since the early 1950's were reduced from about 85 million tons at the beginning of the 1961-62 marketing year to about 72 million tons at the close of the year. A further reduction is in prospect for 1962-63, which is expected to bring carryover stocks into 1963-64 down to about 61 million tons.

Malcolm Clough
Economic Research Service

The Book "Agricultural Statistics—1962" Now Is Available



The subjects covered in the recently released fact book, **AGRICULTURAL STATISTICS—1962**, include statistics on agricultural products, production, prices, supplies, costs, income, land use, farm ownership, farmworkers, food consumption, and related subjects. There are also statistics on weather, freight rates, refrigerated warehouse storage, fisheries, forestry, world crops, and foreign trade in agricultural products.

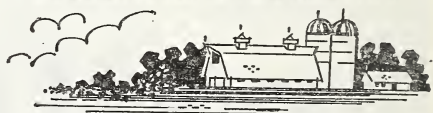
The data are grouped in 11 chapters and the agency supplying the information for each table is indicated.

This year's expanded edition of **AGRICULTURAL STATISTICS** contains historical series and provides a more complete reference than any other re-

cent edition with some tables dating back to 1866. Revisions, resulting from a review of the 1959 census of agriculture are reflected in this new volume.

The introduction includes some definitions of terms and gives a general explanation of sources and periods covered. The tables, giving weights and measures, and conversion factors, in forms best suited to common use, serve as useful tools.

"*Agricultural Statistics, 1962*" is available for \$2.00 from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.



The Farmer's Share

In March the farmer's share of the consumer's food dollar was 36 cents, 1 cent less than it was in February. In March 1962, the farmer's share was 39 cents.



FOR THE 27th TIME JUNE IS DAIRY MONTH

Secretary Freeman and George D. Scott, dairy industry chairman for "June is Dairy Month" campaign, meet in Washington to make plans.

The U.S. Department of Agriculture has planned new ways of boosting the dairy industry's 27th "June is Dairy Month" campaign in 1963.

Results of this planning include two novel public service spot announcements, using animation of still pictures to emphasize June and milk. In addition to presenting a message, entertainment is provided by using children's voices for narration.

Other new twists include a series of humorous radio spot announcements with the message that milk and dairy products are not only healthful but taste good, too. And in the Northeast, radio programmers will receive recorded spot announcements by Coach Ben Schwartzwalder and his Syracuse University football squad—announcements telling why they drink milk every day during football season.

USDA is promoting "June is Dairy Month" in more traditional ways, also.

Secretary Orville L. Freeman has publicly supported the campaign and urged all Americans to enjoy the benefits of plentiful milk and dairy products.

"Milk is fundamental in any well-balanced diet, and better diets and better health in general have helped our children grow more vigorous and sturdy. At the same time, milk offers our older citizens their best and most economical source of calcium as well as a good source of protein, the build-

ing block of life," Secretary Freeman emphasized.

USDA's Agricultural Marketing Service, which normally encourages greater use of plentiful foods to achieve orderly marketing of the Nation's farm products, is working with the dairy industry, trade and civic associations, State departments of agriculture and State and local governments to plan special "June is Dairy Month" events.

Such events include State and regional dairy princesses traveling as good will ambassadors for the dairy industry, special dairy days, parades, festivals and proclamations to be issued by mayors and governors over the Nation.

AMS has also featured milk and dairy products in the plentiful foods lists that are sent each month to grocers and institutional feeders all over the country. These food service and food trades men also will receive special information on menu suggestions, new uses, and merchandising hints for dairy products.

Special feature and menu information on milk and dairy products have been sent to food editors in all the areas of communications, so that, throughout June, homemakers will be reminded of the appetizing ways of serving dairy foods not only in June but every day of the year.

John R. Mueller
Agricultural Marketing Service

ONE FARM WORKER SUPPLIES MORE AND MORE FOOD

Last year the average farm worker produced enough food, fiber, tobacco, and other products to supply himself and almost 28 other people. This is almost 7 times as many consumers per farm worker as in 1820. In addition, farm commodities supplied consumers now have higher quality and greater variety than in earlier years.

The long-term increase in consumers per farm worker has taken place at an ever increasing rate. During the century ended in 1940, the average farm worker supplied products for an additional person each 27 years. During the 1940's a consumer was added each 2-year period. Since 1950 there has been more than an additional consumer yearly.

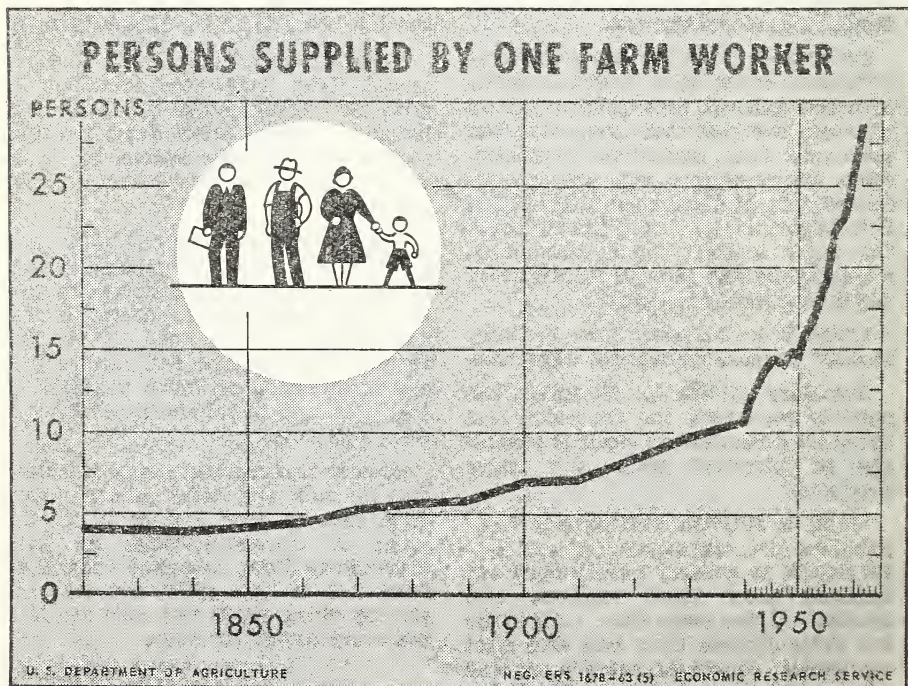
Most consumers of our farm products are residents of this country. But, in 1962, about 14 percent of our agricultural production went to citizens of foreign countries. Conversely, last year about 10 percent of the agricultural

products used by us here in the United States were imported—bananas, coconuts, wool, etc.

U.S. exported foods probably supply many more foreign consumers than our computations show, since per capita food consumption is much lower than ours in some countries.

The great increase in persons supplied per farm worker has been due to technological innovations, both on and off the farm. A farm worker with modern machines can handle more land and produce vastly more than with the older methods. This has reduced the need for as many farms and workers and has released rural workers for industrial employment. Also, many of the jobs previously done by farmworkers are now done in urban factories (e.g. farm machinery repair and replacement and milling operations).

Reuben W. Hecht
Economic Research Service



OUR USES FOR MILK ARE CHANGING



In 1962, as milk production reached a new record of 125.9 billion pounds, the amount of milk marketed by farmers also made a new record—118.2 billion pounds. This new record in marketings is a gain of 1.2 billion pounds over 1961 marketings in the amount of milk moving off farms. During the same period milk production gained only 500 million pounds.

For some years now, the amount of milk used by farmers has declined. People move off dairy farms; less milk is used for calves. Therefore an increasing proportion of the milk produced on farms has moved to market. In recent years, marketings have gained more than production.

The 1.2 billion pound gain in marketings from 1961 to 1962 was in part made up of a 600 million pound increase in milk and cream sales. The remaining 600 million pounds went into manufactured dairy products.

Last year 53.9 billion pounds of the 118.2 billion pounds of milk marketed were used in fluid products compared with 53.2 billion pounds in 1961. Manufactured dairy products took the additional 64.4 billion pounds, compared with 63.8 billion in 1961. This was a 1 percent gain.

The increase was not evenly distributed because of a changing and variable demand for dairy products. As always, in 1962, the manufacture of butter took the lion's share of the milk that went into manufacture, 32.8 billion pounds or 4 percent more than last year. The greater percentage increase in the use of milk for butter than the amount marketed reflects a drop in the manufacture of other dairy products, particularly cheese and canned milk.

In 1962, the manufacture of cheese required 14.2 billion pounds of milk, a drop of 0.5 billion from that used in 1961. Nearly all of this decline oc-

curred in the manufacture of American cheese, in which record amounts were used in 1961. However, during 1962, the cheese industry reduced its heavy commercial stocks by 51 million pounds—consequently, reduced its use of milk for cheese.

The total use of evaporated milk has declined steadily since 1953. Last year 400 million fewer pounds of milk were used in its manufacture than in 1961. Furthermore, evaporated milk stocks were substantially reduced during the year.

The use of canned sweetened, condensed milk, on the other hand, increased about 10 percent, but since this is a minor product, this increase required only about 15 million pounds of milk more than in 1961.

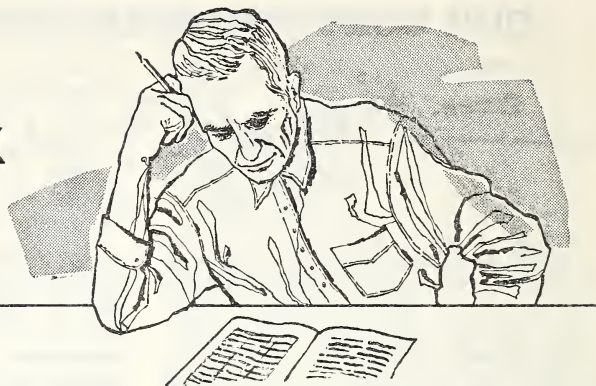
Changes in the use of milk for bulk condensed milk and dry whole milk were minor, as 1.6 billion pounds of milk were used in both 1961 and 1962.

Much of the bulk condensed milk produced is used in ice cream and other frozen products. In 1962, frozen products took 11.6 billion pounds of milk compared with 11.4 billion in 1961. However, when the milkfat in condensed milk and butter used in ice cream is subtracted from the amount of milk used in frozen products, the net amount of milk used in this way in 1962 comes to 9.7 billion pounds, a slight increase over the 9.5 billion used in 1961. Milk use in all other factory products changed little from 1961 to 1962.

In 1963, through April, milk production has been running about 1 percent under the same period of 1962. Part of this decline is offset by a continuing drop in the use of milk on milk-producing farms. However, the amount of milk marketed from farms in these 4 months is down considerably from the same period of 1962. At the same time,

(Continued on page 9)

outlook



LIVESTOCK

Red meat production in the first half of 1963 likely will be 4 to 5 percent above a year earlier. First-quarter production totaled 7,241 million pounds or 3 percent above a year earlier because of more slaughter of fed cattle and hogs. This pattern probably will continue through the second quarter. Fed beef production during April-May was running above the first quarter and considerably above last year. Pork production is declining seasonally, but will remain above a year earlier through the second quarter. Lamb and veal supplies will be down seasonally and under a year earlier during the quarter.

Lower prices for fed cattle and hogs are a result of the increase in meat supplies. Fed cattle prices probably will recover somewhat during the latter part of the year, as the volume of fed beef production during the late summer and fall is expected to be down seasonally from the peak in late spring and early summer. Prices received by farmers for hogs likely will increase seasonally to a peak in August, but they likely will be a little under the last August average of \$18.50 at 8 markets. Lamb prices in mid-May were about \$2.00 above a year earlier and are expected to hold above the rest of the year.

DAIRY

Milk production in April was 0.7 percent below April 1962, after averaging 0.9 percent below a year earlier in the first quarter. Cow numbers in the first quarter were down about 2 percent from

a year ago. Production per cow rose about 1½ percent over the same period of 1962.

The May price of all wholesale milk was \$3.76 per 100 pounds compared with \$3.75 in May 1962 and it is expected to continue close to year-earlier levels during the third quarter. Despite milk-feed price ratios substantially below those of 1961 and early 1962, grain feeding has been heavy.

TURKEYS

The number of poults hatched for this year's turkey crop (from last September through April) was up 2 percent from the same months a year earlier.

EGGS



Egg production in the first 4 months of 1963 was 2 percent lower than a year earlier. Egg prices to producers during this period averaged 35.6 cents per dozen, 4 percent higher.

BROILERS

Broiler supplies after midyear probably will be greater than a year earlier because of increased hatchery activity in recent months.

FEED GRAINS

Carryover of feed grains into 1963-64 is expected to total about 61 million tons, 11 million less than a year earlier.

Feed prices in April continued higher than a year earlier, with prices of feed grains averaging 4 percent higher and high-protein feed up 6 percent.

Farmers signed up to divert 25.7 million acres from feed grains to soil-conserving uses this year—about 3 million acres less than actually were diverted in 1962 and slightly more than in 1961. More base acreage is in the program this year than in 1962, but the average percent diverted per farm is less.

WHEAT REFERENDUM

The referendum on the 1964 wheat program failed to receive the necessary

two-thirds approval. Under present legislation, there are no penalties for overplanting, other than loss of price support. However, growers complying with their allotment will be eligible for price support at 50 percent of parity—probably about \$1.25 per bushel.

WHEAT

The voluntary acreage diversion program, along with severe winter conditions and drought in the Southwest, point to a below-average 1963 wheat crop. Exports in 1962-63 are expected to reach 615 million bushels. The July 1, 1963, carry-over may be 1,180 million bushels, 125 million under a year earlier.

A RECENT USDA PUBLICATION

How To Use Farm Income Statistics, ERS, Miscellaneous Publication No. 920

Need reliable statistics on farm income?

Probably you can find the ones you need in one of the major series of income estimates kept current and published regularly by the U.S. Department of Agriculture.

These major series, along with other important series from which they are derived, have been developed by the Department over more than half a century. Each series, whether major or minor, is designed for a specific purpose. For accurate results, use each series only in the way it was designed to be used.

Selecting the series that suits your

particular need involves two main steps:

- Defining your purpose accurately in terms of kind of income sources and kind of farm population you want to measure or compare.

- Reading the labels on the income series carefully to see what each offers.

The information in the recently released publication, *HOW TO USE FARM INCOME STATISTICS*, may help you with both steps. It includes descriptions of USDA's major series of statistics on farm income, and tells how the series relate to each other and how each should be used.

You may obtain a free copy of this publication by writing to the editor, AGRICULTURAL SITUATION, Division of Information, OMS, USDA, Washington 25, D.C.

MILK—Continued

indications are that the use of milk in fluid products has been increasing.

All this is reflected in the production of manufactured products in 1963. Butter production in the first 4 months was about 9 percent below 1962; cheese production during the first quarter was about 1 percent lower, and in April and early May has pulled up approxi-

mately to 1962 levels for these months; and changes are occurring in other products.

Utilization during the rest of 1963 will depend greatly on the course of the weather and resulting pasture conditions, which strongly affect milk production during the midyear months.

Anthony Mathis
Economic Research Service

TRENDS IN PRODUCTION OF DRY EDIBLE BEANS

Impressive changes have occurred in dry edible bean production during the past three decades.

According to Bureau of Census figures, the number of farms producing dry beans declined from about 100,000 in 1939 to 35,000 in 1959. But average acreage of beans per farm about tripled, from 16 to 46 acres.

Big Jump in Yield

Expanding technology has given productivity a big boost. Acreage expanded from the early 1930's into the early 1940's, declined into the early 1950's, and since has shown no definite trend. But yield per acre almost doubled since the mid-1930's.

Production expanded fairly consistently—from 11.7 million hundredweight in 1933-36 to 19.6 million in 1961-62 (except after World War II). However, not all classes and varieties of beans shared in the expansion. As output changed, significant changes resulted in the kinds of dry beans produced.

Among important classes or groups, output of white beans increased sharply, yet the group dropped in importance from 50 percent down to 46 percent of the national total.

Commercial output of limas, all of it in California, declined sharply both in tonnage and in relative importance. The most rapid increase in production occurred in the colored bean classes. The position of colored beans increased from a little more than a fourth of total production of dry beans in 1933-36, to about 40 percent in 1957-60, then declined to 37 percent in the 1961-62 seasons.

Colored Beans

Expansion in production of colored beans (with the exception of the immediate postwar years) was fairly consistent—from 3.2 million hundredweight in 1933-36 to 7.3 million in 1961-62. Among the more important colored bean classes, pinto bean production,

which makes up about three-fifths of the colored bean total, doubled from the mid-1930's to the war years, declined in the immediate postwar years, then resumed an upward trend. Production in 1961-62 averaged 4.8 million hundredweight, about 3 times that of the mid-1930's.

Production of red kidney beans expanded from 600,000 hundredweight in 1933-36 to 1.3 million in 1949-52. For the next several years production averaged about the same as in 1949-52. In the 1961 and 1962 seasons, however, output was substantially larger.

Output of small reds increased from about 250,000 hundredweight in the mid-1930's to over a million in 1954 and 1955. With loss of the Cuban market, production of small reds was cut back substantially to about 450,000 hundredweight. Production of pink beans and cranberry beans also has been considerably lower in recent years.

White Beans

Total output of white beans increased from 5.8 million hundredweight in 1933-36 to 8.6 million in the war years of 1941-44. Production declined after World War II to the mid-1950's, but since has tended to increase. In 1961-62, production averaged 9.1 million hundredweight, moderately above the high level of World War II and more than 50 percent above that of the mid-1930's. The pattern of change for pea beans (they make up almost two-thirds of U.S. white bean production), was about the same as for the white bean group.

Production of Great Northern beans expanded very rapidly during the war and immediate postwar years, partly as a result of a very large export market in the war-torn countries of Western Europe. Output increased from 1.3 million hundredweight in the mid-1930's to 3.4 million in 1945-48. Production of this class since has declined to an average of about 1.6 million hundredweight.

Will M. Simmons
Economic Research Service

CYCLES IN CHOICE STEER PRICES

The average price for Choice steers has trended upward during the past 10 years at an annual average rate of 32 cents per hundred pounds. However, the year-to-year change has not been uniform. Some years prices rose sharply, whereas, during other periods, they fell far below the trend value. When trend is removed from prices, a clearer outline of a cycle in Choice steer prices emerges. (See chart.)

After the Korean War, steer prices remained above trend during 1953 and 1954. Prices then dipped sharply under trend in 1955 and remained below trend until the last half of 1957. From late 1957 until near the end of 1960, prices averaged above trend. Thus, a complete cycle in prices covered a period of almost 6 years.

A further complete cycle was accomplished in 1961 and 1962 with prices below trend for a period of about 14 months in late 1960 and 1961 and above average during 1962. The drop in prices during the first half of this year

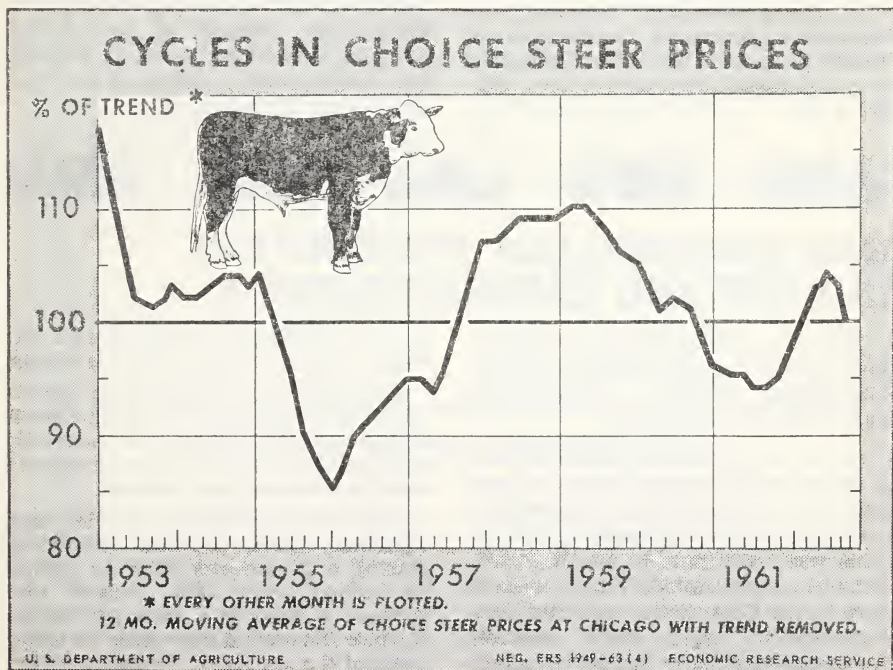
will carry the average below trend again in this calendar year.

Cycles in price reflect influences on both the demand and supply side of the market. On the demand side the price for pork likely is the most important factor. When hog prices fluctuate from a cyclical peak to a cyclical low, the degree of change is sufficient to have a noticeable impact on steer prices.

Hog prices were low in 1955-56 and again in 1959-60. Thus, hog prices during these periods probably contributed somewhat to the weakness in steer prices. Likewise, hog prices were at cyclical peaks in 1953-54 and 1957-58, which strengthened the price for steers.

The greatest influence on steer prices is probably to be found on the supply side of price. A commodity is generally more affected by changes in its own supply situation than to other pressures.

Lawrence Van Meir
Economic Research Service



FARM OUTPUT EXPECTED TO RISE IN WESTERN HEMISPHERE

Canada is giving agricultural production in this hemisphere a boost. Since the drought-shortened crop of 1961, Canada has increased production one-third as a result of generally good weather. This resumes the trend of recent years.

In the United States, agricultural output in 1962 was slightly higher than in the previous two years.

South America's agricultural production rose nearly 6 percent in 1961-62 because of the increased crop production in Argentina, Brazil, and Peru. These countries accounted for about 80 percent of South America's crop and livestock production and registered important gains in output of wheat, coarse grains, oilseeds, fruits, coffee, and cotton.

Brazil, the largest agricultural producer in Latin America, continued to make gains in 1961-62. However, some decline is expected this season because of the reduced coffee crop.

In Chile, Colombia, Uruguay, and Venezuela decreased production of wheat, corn, rice, and other basic food crops, reduced the domestic food supply level.

Argentina recovered strongly from prolonged drought in 1961-62, and agricultural output was about the same as in the 1959-60 season. Drought reduced sheep production; however, and the wool clip was the smallest in 10 years. Harvests of flaxseed, sunflower, peanuts, beans, and potatoes were near record levels.

Agricultural output in Central America continued the 5-year upward trend by increasing slightly in 1961-62. Although hurricane "Hattie" slashed through British Honduras, damaging corn, beans, rice, bananas, and orange crops, sugar production climbed sharply. Guatemala, Nicaragua, Honduras, El Salvador, Costa Rica, and Panama all registered agricultural gains.

In the Caribbean, farm output fell sharply in 1961-62, primarily because of shrinking sugar production in Cuba and Trinidad. Jamaica and the Dominican Republic both made gains in agriculture. Harvests of corn, beans, and rice were off in Mexico in 1962-63, but wheat, sugar, cotton, meat, and coffee showed increases.



BAD WEATHER CUT PRODUCTION IN USSR AND EASTERN EUROPE

The Soviet Union and her East European satellites, plagued by bad weather, experienced another disappointing agricultural year in 1962.

Unfavorable growing conditions were a major factor in the failure of agriculture to achieve the ambitious goals projected by the Communist planners. This was superimposed on the problems which perennially plague agriculture in the Communist countries—collectivization, rigid state controls, inadequate producer incentives, short-

ages of capital, and agriculture's inferior position in the national economy.

The poor agricultural year aggravated food shortages throughout Eastern Europe. Shortages were especially acute in East Germany where meat and milk production were reduced.

According to official Soviet statistics, extremely poor growing conditions caused a 20-percent drop in potato production from 1961. Russia also suffered a drop in cotton production because the second dry winter in a row reduced the supply of irrigation water.

Poland's overall agricultural output was about 5 percent less than in the previous year, and fruits, vegetables, butter, milk, and eggs are in shorter supply this year.

In Czechoslovakia, the shortage of livestock feed forced farmers to slaughter cattle and other livestock.

The corn crop in Yugoslavia was about 5 percent above 1961, but output of both barley and oats was about the same. Wheat production was about average, 5 percent less than in 1961.



FAR EAST AGRICULTURAL HARVEST INCREASED SLIGHTLY LAST YEAR

Farmers in the Far East increased their agricultural production slightly in 1962.

A study by USDA's Economic Research Service shows wheat production climbed 5 percent, and sugar, cotton, tobacco, and tea output increased more than 3 percent. Copra, jute, kenaf, and coffee crops showed marked reduction.

Japan, the world's fastest growing economy, experienced a normal agricultural year in 1962. The country escaped serious damage from typhoons that sometimes batter the islands, and farm production increased 5 percent. Farmers harvested a near-record crop of rice—this country's most important food. Output of fruit, eggs, milk, and meat also increased substantially in 1962.

Last year, after 3 poor harvests in a row and with widespread reports of food shortages and malnutrition, Communist China started a new farm policy in which all economic sectors

Total grain production in Hungary fell for the third consecutive year. Cabbage, carrots, and parsley were hit by drought, and production did not meet quotas.

Except in large urban centers, bread rationing is prevalent in most of Rumania because of a disappointing corn yield in 1962, the smallest since 1958.

Bulgaria's important export crops of tomatoes, grapes, and tobacco showed marked increases over the low 1961 levels. Low production forced rationing of onions, rice, beans, and potatoes.

support agriculture. The changes represented a tacit admission that "collectivized agriculture," excessive exploitation of the agricultural sector in favor of heavy industry, and growing population pressures led to economic disaster. Unfavorable weather hastened the crisis and compounded the impact.

The overall agricultural picture in Australia was bright last year with record wheat, sugar, and rice crops, and a gain in cotton production. Record and near-record fruit crops were harvested, and output of meat and dairy products increased.

Agricultural output in India last year was about the same as the previous year.

Last year Taiwan (Formosa) produced alltime record crops of rice, soybeans, and peanuts. Substantial increases were also made in banana, pineapple, and meat output, but poor weather reduced the sweetpotato crop.

WORLD FOOD CONGRESS

The World Food Congress, billed as the major international agricultural event of the year, meets this month in Washington, D.C., June 4 to 18. The Congress, sponsored by the Food and Agriculture Organization (FAO) of the United Nations, aims to: (1) Pool existing worldwide experience in fighting

hunger and malnutrition; (2) Examine ways in which food production and use can be improved in the developing countries; and (3) Aid in economic development. About 1,200 people representing 100 nations are expected to attend the 2-week session. The meetings are in the State Department.

BULGUR . . . A GROWING OUTLET FOR OUR WHEAT

The U.S. Department of Agriculture and the wheat industry have taken Biblical agricultural knowledge, combined it with modern food processing and marketing methods, and come up with a product which is helping expand American markets for wheat, both at home and abroad.

The product is bulgur, a nutritious dried whole-wheat food similar to rice, which was made as far back as Old Testament times. In those days the whole kernels of wheat were washed, cleaned, boiled in open pots, spread in the sun to dry, and finally cracked with rocks. Biblical housewives used bulgur in making bread and meat dishes.

From those times to the 20th century, bulgur was prepared using much the same time-consuming process. In the 1950's the Agricultural Research Service, in cooperation with a commercial flour mill, developed a new, relatively inexpensive process. This process carries out the steps of washing, soaking, cooking, drying, milling, and cracking the wheat in a continuous operation.

Processed by the new method, bulgur becomes a highly versatile food. With a toasty appearance and a nutty flavor, it can be served as a cereal or sidedish, or used in casseroles, meatloaf, or stuffing.

Much of the bulgur produced in this country for the past seven years has been going into export. During the last two years an estimated 280 million pounds were shipped abroad for donation by U.S. volunteer agencies to school lunch programs and needy people.

Some bulgur has been sold for foreign currencies, and further market development work is going on in Africa, Asia, and South America—with frequent exhibitions at U.S. trade fairs in these areas. With the help of local citizens, recipes have been developed for using bulgur in dishes that are

popular in the nations of Africa, Asia, and South America.

Bulgur is also being introduced through new outlets in the U.S. Using its direct distribution and school lunch channels, USDA's Agricultural Marketing Service launched an experimental program this spring to find out whether bulgur can be used to provide additional nutrition for schoolchildren and needy persons, both of which could offer substantial outlets for the wheat product.

The Bulgur Wheat Pilot Program is being conducted in 29 States, where the product was donated by USDA, and offered to schools, charitable institutions, and needy families.

As part of the pilot project, demonstrations of USDA-developed bulgur recipes were held in Denver, San Francisco, Chicago, Atlanta, Philadelphia, and Boston. The new product received favorable reactions from school lunch and welfare leaders attending the demonstrations.

Until 1961, sales of bulgur in the U.S. were limited to specialty shops, gourmet counters, and neighborhoods with large Armenian populations.

In 1961, using a new cooking and canning process patented by USDA, bulgur was commercially marketed in cooked and canned form under the name of Redi-Wheat in Kansas, Missouri, and Colorado.

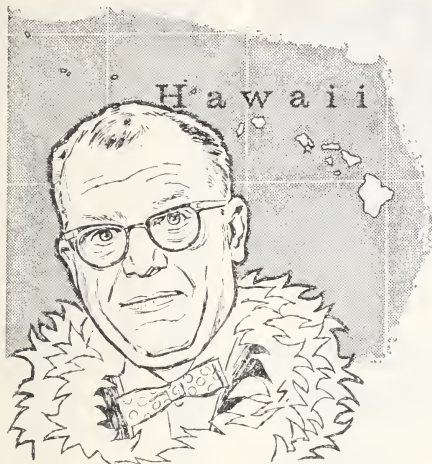
In Wichita, Kansas the product was market tested by USDA's Economic Research Service and Statistical Reporting Service. Most of the homemakers interviewed said they used the canned bulgur in meat loaf, meatballs or as a breakfast food. Nearly three-fourths of them said they intended to use it regularly in the future. However, canned, cooked bulgur is not as yet being produced and marketed elsewhere.

Annabelle J. Friedman
Agricultural Marketing Service



Meet the State Statistician . . .

PAUL P. WALLRABENSTEIN



Back in 1918 when nine-year old Paul Wallrabenstein was studying geography in a one-room schoolhouse near Sandusky, Ohio, he liked to read about countries with "strange-sounding" names.

Today, 45 years later, as Hawaii State Statistician, he covers Oahu, Mauni, Kauai, and Honolulu. Those "strange-sounding" names are links in the chain of Hawaiian islands that stretch 350 miles from one end to the other.

To compile agricultural data from that island chain, Wallrabenstein and his assistants talk to farmers and send out questionnaires. Hawaii is unique in that it is the only State with a staff of field statisticians assigned to counties (islands). Much of the information they collect is by direct enumeration with complete coverage of all producers.

Wallrabenstein grew up on a farm near Milan, Ohio. He worked hard on the farm and learned the practical aspects of agriculture from first-hand experience.

He left the farm to attend Ohio State University and in 1931 received a B.S. degree in agricultural economics. He had a degree, but couldn't find a job.

The country was paralyzed by the depression and work was scarce—so he went back to school. To help pay tuition, he worked half-time with the agricultural department at Ohio State University. He also took a job with the Ohio Crop Reporting Service.

The depression still gripped the country when he married the former Sarah Betty Grove of Columbus, Ohio, in 1936.

By 1941 he received a Ph. D. in agricultural economics. The next year Dr. Wallrabenstein was appointed an agricultural statistician in Ohio. From 1942 to 1944 he worked in the West Virginia State Statistician's office.

He was transferred to Washington in 1945 and remained for ten years. There he became head of the Labor Force Unit, and, later, head of the Farm Employment Section of the Special Farm Statistics Branch.

Dr. Wallrabenstein was transferred to Hawaii, as Statistician In Charge, in 1955, and since has become an expert on macadamia nuts, paypayas, guavas, and lilikoi or passion fruit—more "strange sounding" names.

Thoroughly familiar with tropical agriculture, he points out that Hawaii is the world's largest producer of canned pineapple and pineapple juice. It is the only State in the Union that grows coffee. And to go with that coffee Hawaii produces more than a million tons of raw sugar annually—or a fourth of all the sugar produced in the United States.

Dr. Wallrabenstein maintains an active interest in education and teaches graduate classes in economics and statistics at the University of Hawaii.

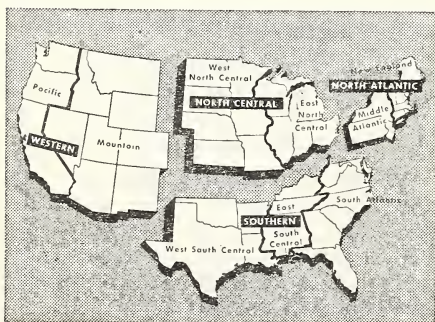
He has two sons, a daughter, and three grandchildren. For relaxation he enjoys taking his family to the beach, bowling, and sometimes just talking to a friend about the tropical insects that attack his lawn.

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